

The Research Review

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On Wednesday of this week, the Conservation and Environment Committee heard four special presentations from organizations promoting energy conservation and energy renewal. Several committees had presentations this week as bills make their way onto committee calendars.

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Photo of the week:



Chairman Joe Armstrong of the Health and Human Resources Committee takes a closer look at emergency transportation services on the helipad at Vanderbilt University Medical Center. Committee members toured VUMC's Trauma Center on Tuesday. (Photo courtesy of Latonya Ellis.)

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Agriculture

Jeremy Maxwell

The Agriculture Committee met on Tuesday with no bills on calendar. Dr. Joseph A. DiPietro, Vice President for Agriculture at UT and Dr. Michael Blackwell, Dean of the College of Veterinary Medicine at UT presented the committee with the Study of Rural Community Veterinary Services in the State of Tennessee, 2006.

It stated that while 27 counties have two or fewer resident veterinarians, 82% of the surveyed livestock producers did not experience a problem in obtaining veterinary services. Rural and non-rural veterinarians (75%) believe that over the next five years the supply of rural veterinarians will decrease. However, the actual numbers engaged in rural practices during 2000-2005 increased. There was a rebound in the number of veterinarians engaged in rural practice as there was a decrease in rural veterinarians from 1995-1999. The college must continue its efforts to admit students and graduate veterinarians interested in mixed and rural animal practice.

The college must also continue to look at ways, from scholarship programs to financial incentives, that attract veterinary students that specialize in large animal care.



Children & Family Affairs

Amelia Mitchell

The **Children and Family Affairs Committee** and its subcommittees did not meet this week.



Commerce

Matt Barnes

Full Committee

The **Commerce Committee** had no bills on calendar but met to hear an update from TennCare on the new Middle Tennessee managed care organizations. Director Darin Gordon said AmeriChoice, a subsidiary of United Healthcare, and Amerigroup won bids last year to represent roughly 170,000 enrollees in Middle Tennessee. Starting April 1, the two MCOs will assume full financial risk, which has not been done by TennCare insurers since 2002.

AmeriChoice serves approximately 1.3 million members in 16 states. Together, AmeriChoice and United Healthcare have a total market capitalization of more than \$71.2 billion. Amerigroup serves more than 1.2 million members in nine states and has a market capitalization of more than \$1.8 billion.

Letters set to go out on February 26 will instruct enrollees as to which MCO they have been assigned. Enrollees will have 45 days from April 1 to switch MCOs if they so choose.

Industrial Impact Subcommittee

The **Industrial Impact Subcommittee** met with three bills on calendar, rolling all three. Chairman Shepard announced that Rep. Montgomery will serve as vice-chair.

HB 303 (Hood) extends from 10 to 50 days the time fire investigators have to give written reports on suspicious fires to the Department of Commerce and Insurance. *[rolled two weeks]*

HB 316 (DeBerry, J.) establishes reimbursement and credentialing requirements for health insurance entities. Rep. DeBerry said an amendment is pending. *[rolled two weeks]*

HB 349 (Miller, L.) raises the legal age from 10 to 16 for the purchase of Class C fireworks and increases the amounts of fines for offenses by retailers. *[rolled one week]*

Utilities and Banking Subcommittee

The **Utilities and Banking Subcommittee** had no bills on calendar and did not meet.



Conservation & Environment

Jeremy Maxwell

Conservation and Environment Committee

Conservation and Environment met Wednesday to hear four presentations. Jeff Gowdy showed the committee the film “Kilowatt Ours Project”. It explained steps that people can take to conserve energy and to cut back on pollution. Steven Sondheim, Tennessee Chapter of the Sierra Club, and Gil Melear-Hough, Southern Alliance for Clean Energy, both talked about cleaner, renewable energy alternatives. Steve Johnson, Green Building Council, discussed solar electric technology.

Wildlife Subcommittee

The Wildlife Subcommittee met Tuesday with two bills on calendar. **HB 696 (McCord)** passed to full committee. The bill authorizes speakers’ appointments to serve three consecutive two-year terms instead of two. **HB 91 (Borchert)** failed to receive a majority of the vote. It authorizes unlimited taking of catfish greater than 34" in length.

Environment Subcommittee

Environment Subcommittee met Wednesday to take up two bills. **HB 64 (M. Turner)** passed to full committee. The bill exempts hybrid vehicles from the state sales tax until June 30, 2017. **HB 332 (Tidwell)** was rolled one week. It replaces provision under which licensed professionals with proof of errors and omissions insurance are exempt from bonding requirements for subsurface sewage disposal systems with exemption for all state licensed professional engineers or registered engineer interns; limits applicability of bonding requirements for soil scientists, soil consultants, and percolation testers to persons whose approval has been suspended or revoked and later reinstated.

Parks Subcommittee

Parks Subcommittee did not meet.

Rep. Niceley & Rep. McCord



Vice Chairman Tidwell





Consumer & Employee Affairs

Lucy Wilson

The Consumer and Employee Affairs Committee will not meet next week. The first two committee meetings have featured guest speakers. On **February 6**, Commissioner James Neeley, Department of Labor and Workforce Development gave a summary of the numerous programs the department manages. Among those programs is a safety congress held every year at Opryland. The state puts no dollars into this effort. Several years ago a non-profit was put in place and since then the Congress funds the annual event.

The Workforce Development Programs deal with economic development in the state. Through combined efforts, the Departments of Labor and Workforce Development, Revenue, and Economic and Community Development have been able to put together business packages that help bring business into the state.

The Unemployment Compensation program is in the process of revamping because of a nine million dollar shortfall in federal funding. They have put in call centers for people to file unemployment claims rather than going to an office to file. However, the department hopes to maintain a presence of job service to accommodate the programs at the state and county level with County Mayors as partners.

Commissioner Neeley reported since the Workers Compensation Reform package of 2004 was passed a lot has changed. Temporary benefits approval, where no permanent injury is involved, has gone up 112%. Settlement conferences are up 38%, and settlement approvals are up 33%.

The Uninsured Employer Fund is for individuals who do not have the required workers compensation. Because of the state's ability to electronically cross-match from department to another, employers who are required to and do not have workers compensation are more easily identified. The department is required to report these cases to the Attorneys General office and they are responsible for collecting these funds.

Jerry Lee with the Tennessee AFLCIO Labor Council spoke at the **February 20th** meeting about the Workers Compensation Advisory Council (WCAC). The Council is comprised of the State Treasurer as Chair, 6 voting members (3 representing employees and 3 representing employers), and 7 non-voting members (1 representing local government, 1 representing insurance companies, 2 representing health care providers, and 3 attorneys).

The WCAC's primary function is to review and comment on legislation. The Council reports to the House Consumer and Employee Affairs Committee and the Senate Commerce, Labor and Agriculture Committee. With the 2004 Reform Act, the Council comments on what the bill will or will not accomplish and what possible impact it may have if implemented.

The Employee Affairs Subcommittee and the Consumer Affairs Subcommittee have a calendar and will meet next week.



Education

Pam Mason

The Education Committee met on Wednesday to consider its calendar and hear various presentations. Calendar action follows:

Full Committee

Referred to Finance, Ways & Means, if amended:

HB 101 – (Winningham) as amended the Commissioner of Education shall require that teacher in-service training include at least two (2) hours of suicide prevention education. The training may be through self-review of suitable suicide prevention materials. This legislation enacts the Jason Flatt, Act of 2007.

The committee heard from three (3) speakers.

Clarke Flatt, President and CEO of the Jason Foundation and father of Jason Flatt addressed the committee on the above legislation.

Jim Carey, Creator of the Tennessee History for Kids web site, explained the nature of this site. Teachers and students in Tennessee schools are accessing the site to learn about the history of Tennessee.

Ron Gambill, Chairman/CEO of EdSouth, addressed the committee on his company and the assistance they give to those students, and their families, planning to attend or are attending college.

Higher Education Subcommittee

Referred to Full Committee:

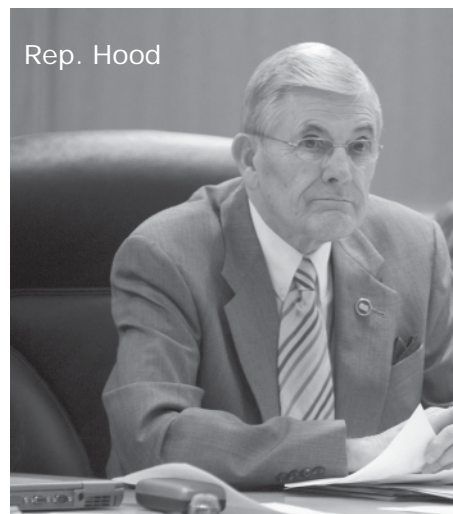
HB 204 – (Hood) requires the Tennessee Higher Education Commission in consultation with the Department of Health to develop an institute of public health.

K-12 Subcommittee

Referred to Full Committee:

HJR 106 – (Winningham) endorses the National Education Association and the Tennessee Education Association’s “Read Across America” program and the national celebration of Dr. Seuss’s birthday on March 2.

Rep. Hood





Finance, Ways & Means

Julie Travis & Patrick Boggs

Week of February 21st 2007:

The Full Committee

Even though the Committee did not have any bills to hear, the House Finance, Ways, and Means committee met on Tuesday, February 20th to hear a presentation made by the Finance & Administration Commissioner, Dave Goetz. Commissioner Goetz presented the Overview of the Governor's proposed \$27.5 billion state budget. (*See summary below.*)

For the upcoming budget hearings, we will try to have extra seating reserved in the audience for legislators who are non-committee members and who wish to attend. The House budget hearings may also be observed through live video streaming on the internet through the legislature's website, <http://www.legislature.state.tn.us>.

Next Week's Scheduled Hearings (current as of February 21, 2007):

Tuesday, February 27, 2007:

Funding Board (Overview) by Comptroller Morgan

Wednesday, February 28, 2007:

Tennessee Education Lottery Corp by Rebecca

Paul-Hargrove

THDA by Executive Director Ted Fellman

The Budget Subcommittee

The Budget Subcommittee did not meet.

BUDGET OVERVIEW

by Denise Sims

Finance and Administration Commissioner Dave Goetz presented an overview of the recommended \$27.5 billion state budget for 2007-2008 to members of the Finance, Ways and Means Committee on Tuesday. In the budget, \$13.3 billion is from state appropriations, \$9.5 billion is from federal funds and the remaining \$4.7 billion is from departmental revenues, tuition and fees, and bonds for

highway improvements and capital outlay.

Commissioner Goetz, who called the budget "...fiscally conservative and balanced," outlined its key points, including controlled TennCare costs (for FY06 and 07, 24% of Revenue collections), three years of moderate economic growth (a projected 6.8% growth in state funds – 3.5% of the total budget), an improved bond rating, and new revenues for education initiatives.

What is the total recommended budget?

The total FY07-08 budget, including federal dollars, has a breakdown of:

• TennCare	28%	or	\$ 7.58B
• Pre-K thru 12	17%	or	4.65B
• Higher Ed	12%	or	3.24B
• Transportation . . .	7%	or	1.82B
• (Other Costs) . . .	36%	or	10.19B

What is the source of revenue for this proposed budget in federal and state dollars?

(Recommended for FY 07-08)

State appropriations	\$13.31B
Federal revenue	9.48B
Departmental	3.24B
Student Tuition & Fees . . .	0.98B
Bonds	0.46B
Total	\$27.47B

Where do my state tax dollars go? (From the total state budget)

Out of each state dollar (\$13.31 billion in state appropriations), the recommended breakdown is:

• Education42 cents
• Health & Social Services . . .	30 cents
• Law, Safety, Correction . . .	9 cents
• Transportation	7 cents
• State Shared Taxes	6 cents
• Resources & Regulations . . .	3 cents
• General Government	2 cents
• Business & Economic Dev. . .	1 cent

(cont.)



Finance, Ways & Means

Julie Travis

According to Commissioner Goetz, the existing tax base will uphold the operation of existing state programs. For new investments and initiatives however, particularly in education, the budget recommends \$219.6 million in new general fund revenue from a proposed increase in the cigarette tax of 40 cents per pack. Ninety percent of those funds would go toward improvements in both K-12 and Higher Education.

Moderate growth in state revenues is projected for the coming fiscal year. And, according to the budget, revenue growth rates are indeed within the range of revenue growth recommended by the State Funding Board. The committee is expected to hear from the Funding Board at the next budget hearing on February 27th.





Government Operations

Kristina Ryan

The Government Operations committee met this week but had no bills to consider. The committee met to continue discussing organization, rules and committee functions.



Health & Human Resources

Judy Narramore

The **Health & Human Resources Committee** toured the Vanderbilt University Hospital Trauma Center, a Level 1 trauma center, during its regularly scheduled committee meeting time on Tuesday, February 20, 2007. The subcommittees of H&HR did not have bills on notice and did not meet this week.



Judiciary

Jamie Wyatt

The Full Judiciary Committee

On Wednesday, the Full Judiciary Committee heard from guest speakers Don Paine and Leslie Barrett



Chairman Briley

Kincaid to discuss the changes to the Rules of Civil Procedure, Criminal Procedure, Evidence, Appellate Procedure, and Juvenile Procedure. The amendments contained few substantive changes. Below is a list of notable changes and/or clarifications to the different rules:

Rules of Civil Procedure

- Rule 15.01 allows a plaintiff to amend his complaint to add tortfeasors if an answer names nonparty comparative tortfeasors.
- Rule 56.04 requires a trial judge to state the legal grounds for denying a summary judgment motion.

Rules of Criminal Procedure

- Rule 5 requires guilty pleas to misdemeanors be in writing.
- Rule 1 states that time computations in Rule 45 apply to setting and to continuing hearings in general sessions court.

Rules of Evidence

- Rule 501 supplements the comment to the professional counselor/marital and family therapist/clinical pastoral therapist-client privilege.

Rules of Appellate Procedure

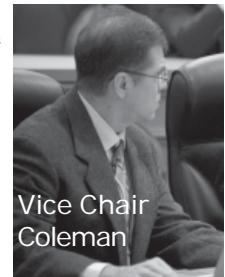
- Rule 5 requires the trial clerk to serve the appellate court clerk with the appeal bond as well as the notice of appeal.
- The time to file a transcript of evidence is shortened from 90 to 60 days under Rule 24 and 25.

Rules of Juvenile Procedure

- Rule 1 clarifies some issues in termination hearings. It states that Rule 39 of the Rules of Juvenile Procedures will apply in addition to the Rules of Civil Procedure.
- Rule 2 clarifies that a guardian ad litem in juvenile court be an attorney.
- Rule 10 deals with service of process. This amendment addresses service on a party in a foreign country.
- Rule 25 amendment clarifies that discovery is obtainable in dependency, neglect and abuse cases.
- Rule 39 amendment makes the rule dealing with the termination of parental rights consistent with the corresponding code.

The following House Resolutions were approved for passage to the Calendar and Rules Committee:

HR 15 by Rep. Briley
HR 16 by Rep. Briley
HR 17 by Rep. Briley
HR 18 by Rep. Briley
HR 19 by Rep. Briley



Vice Chair Coleman

HB 8 by Rep. Curtiss was **approved for passage and sent to the Finance Committee**. This bill, as amended, requires all sexual offenders regardless of the date of conviction or discharge to register in person in Tennessee if he or she meets current requirements or is required to do so in another jurisdiction. This bill treats both state offenders and out-of-state offenders equally in terms of registration requirements as a sex offender.

Civil Practice & Procedure Subcommittee

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Judiciary

Jamie Wyatt

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Civil Practice & Procedure Subcommittee

The Civil Practice & Procedure Subcommittee met to discuss one bill, **HB 418** by Rep. Coleman. This bill clarifies the elective share in the probate code by stating that the net estate for purposes of determining a surviving spouse's elective share doesn't include assets in which the decedent held a power of appointment unless it is to be paid to the personal representative for administration of the probate estate. Also it clarifies that the gross estate excludes the homestead allowance, exempt property, and year's support allowance; states the elective share is exempt from the allocation of estate taxes; and that the elective share must be elected within nine months of the decedent's death. The law currently states this share must be elected either nine months from the date of death, or six months from the date of probate, whichever is later. This bill was **approved for passage to full committee**.

Criminal Practice & Procedure Subcommittee

On Wednesday, the Criminal Practice & Procedure Subcommittee met to discuss two bills. HB 29 by Brooks was taken off notice. **HB 71** by Rep. Mike Turner, as amended, was **sent to full committee**. It establishes the Tennessee Human Trafficking Act of 2007, which creates a number of new offenses: a new Class C felony for involuntary servitude; Class B felony if aggravating factors exists such as serious bodily harm or death of victim results, servitude exceeds 1 year or the defendant holds 10 or more victims at anytime; Class C felony for trafficking for forced labor or services; and a Class B felony for sexual servitude.



State & Local Government

Lawrence Hall, Jr.

This week in *State and Local Government* full committee, the committee passed two bills to Calendar and Rules:

-**HB 207 by Hawk** – This bill designates August 8 as “Emancipation Day,” a day of special observance.

-**HB 1009 by Brown** – This bill designates March 10 as a state holiday, “Harriet Tubman Day.” (HB 1009/SB 1087, as amended, passed House and Senate on yesterday.)

This week in *State Government Subcommittee*, the subcommittee considered one bill and rolled HB 1057 for one week.

HB 1057 by Tindell – This bill revises certain provisions of the Tennessee charitable gaming implementation law.

The *Local Government Subcommittee* passed HB 262 to full committee.

HB 262 by Fraley provides property tax relief for veterans permanently and totally disabled from service-connected activities and not only combat related service.

Elections Subcommittee passed one bill to full committee this week.

HB 353 by Winningham – This bill changes terms of board of mayor and alderman from nonstaggered two-year terms to nonstaggered four-year terms.



Transportation

Jeremy L. Elrod

Full Committee

The **House Transportation Committee** convened on February 20, 2007 to consider **HB215** (Odom), which authorizes trauma nurses that work in emergency rooms and trauma centers to receive emergency license plates. It was **referred to the Calendar and Rules Committee** after it was amended to fix a typographical error.

Public Safety & Rural Roads Subcommittee

The **Public Safety & Rural Roads Subcommittee** met February 20, 2007, to consider four bills. Action on **HB45** (Fraley) was deferred one week.

The following bills were referred to the full Transportation Committee:

HB256 (Sargent) – As amended, authorizes a Ohio State University new specialty earmarked license plate. It allocates 50 percent of funds derived from sale and renewal thereof to an endowed scholarship fund for Tennessee students attending Ohio State University.

HB275 (Sargent) – Redefines criminal offenses relating to viewing video broadcasts while driving or installing such video equipment in motor vehicles. The bill allows motor vehicles to include side cameras for use by the driver.

HB30 (H. Brooks) - Authorizes a Recreational Vehicle new specialty earmarked license plate. It allocates 50 percent of funds derived from sale and renewal thereof to Department of Tourist Development to promote camping and the use of recreational vehicles in Tennessee.



Rep. Sargent

Public Transportation & Highways Subcommittee

The **Public Transportation & Highways Subcommittee** met on February 20, 2007 to consider five bills. Action on **HB404** (J. Cobb) was deferred for two weeks.

The following bills were passed to the full Transportation Committee:

HB7 (Bone) – “Edsel Cordell Floyd Bridge,” signs spanning Round Lick Creek on U.S. Highway 70 in Watertown, Wilson County.

HB102 (Winningham) – “Frank B. Halsell Memorial Highway” signs on a certain segment of State Route 53 in Clay County.

HB103 (Winningham) – “Joe A. Clark Memorial Highway” signs on a certain segment of State Route 53 in Clay County. It was amended to be funded by state moneys.

HB372 (Fraley) – Authorizes issuance of Pink Ribbon new specialty earmarked license plates. It allocates a portion of funds from the sale and renewal of such plates to the Susan G. Komen Breast Cancer Foundation

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